

Department of Public Health
and Human Services

Section:

COVERAGE GROUPS

FAMILY MEDICAID

DRAFT

Subject:

Family Medicaid (MA-FM)

Supersedes: FMA 201-1; 1/01/04

References: 42 CFR 435.113, .602; ARM 37.82.101, .701, .702 & .703; PL 104-193

GENERAL RULE--Individuals receiving TANF Cash Assistance are not automatically Medicaid eligible. A separate Medicaid eligibility determination must be conducted. Total countable income must be tested against the Family Medicaid income standards (FMA 002) to determine Medicaid eligibility. There must be an eligible child living in the home for the parent/caretaker relative to be Family Medicaid eligible.

► **NOTE:** The adult is not eligible under Family Medicaid unless they are caring for a dependent child within the fifth degree of kinship. They may be however eligible under aged, blind or disabled or pregnancy-related rules. A child who is emancipated is not considered to be a dependent child.

Medicaid assistance MAY be provided to the following individuals if all **Medicaid** eligibility criteria are met:

- 1. Individuals who receive or are eligible to receive TANF Cash assistance;
- 2. Individuals who are serving a TANF Cash penalty period for noncompliance with a Family Investment Agreement/Employability Plan (FIA/EP) component (other than CSE, Program Compliance or TPL).
- 3. Individuals who would be eligible for but decline the financial assistance. These would include individuals who do not meet the requirements of:
 - a. Age; or
 - b. School attendance.
- 4. Individuals whose countable income exceeds the Medically Needy Program standard (see FMA 003), but who meet all the other requirements (medically needy MA-FM).

**NONFINANCIAL
CRITERIA**

Family Medicaid applicants must meet the following nonfinancial criteria:

- 1. Child must be living with a specified caretaker relative;

Section: COVERAGE GROUPS

Subject: Family Medicaid (MA-FM)

- ▶ 2. Age (must be a dependent child under age 19 within the fifth degree of kinship in the home for adult to be eligible);
- 3. Social Security Number (Social Security card is NOT required);
- 4. Residence;
- 5. Citizenship and/or Alienage;
- 6. Managed Care (PASSPORT to Health);
- 7. Cooperate with Child Support Enforcement (CSE);
- 8. Cooperate with Program Compliance (PC) Medicaid reviews; and
- ▶ 9. Cooperation with Third Party Liability (TPL), including
 - a. HIPPS
 - b. Trauma questionnaires
 - c. Providing information on available health insurance and
 - d. Insurance questionnaires

NOTE: If the parent/caretaker fails to cooperate with TPL, PC or CSE, the child's eligibility is not affected; the child's coverage must not be closed because their parent/caretaker fails or refuses to cooperate with TPL, PC or CSE.

EMANCIPATION

A minor child is no longer a dependent of his or her parent(s) if emancipated due to court action or marriage.

**MEDICAID
ELIGIBILITY
DURING SANCTION**

As long as the individual continues to meet all Family Medicaid eligibility requirements (i.e., income standard, eligible child), Medicaid eligibility may continue throughout the TANF sanction.

If the sanction is due to non-cooperation with CSE, PC or TPL, Medicaid cannot be opened or reopened for the adult/teen parent until they have cooperated.

EXAMPLE: Ken is a 17-yr-old child receiving TANF Cash and he is no longer attending school, so he must have a FIA/EP. Ken fails to comply with his FIA/EP and is sanctioned effective September 1st. Medicaid (MA-FM) must remain open as long as all Medicaid eligibility requirements are met.

EXAMPLE: On July 12th the Eligibility Case Manager is notified that Julie (specified caretaker relative) is not cooperating with CSE. Her TANF case is closed effective July 31st, and she is coded 'DQ' on MA-FM SEPA for the month of October. On October 8th Julie complies with CSE; Medicaid is reinstated effective October 1st as long as all Medicaid eligibility requirements continue to be met. There is no Medicaid eligibility for August or September as Julie was not

in compliance with a non-financial Medicaid requirement (CSE cooperation) in those months.

EXAMPLE: Rebecca quits her job without good cause on June 3rd and is sanctioned for FIA/EP noncompliance effective July 1st. If Rebecca was eligible for MA-FM, it must remain open. The job quit does not affect Medicaid eligibility.

**FILING UNIT;
REQUIRED and
EXCLUDED
MEMBERS**

NON-MEDICALLY NEEEDY MA-FM: All household members related by marriage and/or parentage are required filing unit members. All countable income and resources of all required filing unit members is counted in full. All filing unit members will receive Medicaid coverage.

The non-Medically Needy MA-FM Filing Unit **must include:**

1. Spouses residing together;
2. Children and siblings (natural, adoptive, step or half) who are under age 19;
3. Parents (whether married or not) and their natural, adopted or stepchildren living together;
4. Unborn siblings (code 'UB' on SEPA);
5. Natural/adoptive/stepparents of all siblings (step, half, etc.)
6. Any of the above required filing unit members if they will be living in the home within 30 days of receipt of the first benefits.

NOTE: If the specified caretaker relative is not the natural/adoptive parent (i.e., aunt, grandfather, etc.), their needs can be included, but their spouse's needs cannot (FMA 305-1). Income deeming may be required (FMA 603-1).

NOTE: If the only eligible child is unborn, only the pregnant mother can be coded 'IN'. The unborn child's father cannot be coded 'IN' until the baby is born. Code him 'IP' to count his income and resources. The unborn child's father is also coded 'IP' if there are other children, but he is not their father.

If a required filing unit member(s) does not meet citizenship/alienage requirements, code '**DQ.**' **Do not code 'OU.'** The individual's income and resources must be considered, but they are not included in the household size.

The following individuals **must be excluded:**

1. Siblings age 19 or older;
2. SSI cash recipients (minor child - part code 'SC'); and

3. Individuals who are not specified relatives.

► **NOTE:** If the child's parent is in the home, a specified relative cannot be included in the filing or assistance units.

MEDICALLY NEEDEY MA-FM:

The standard ***Medically Needy*** filing unit **must include**:

1. The dependent child for whom application is being made;
2. The natural/adoptive parent(s) living in the same home; and
3. Stepparents (stepparent's income is deemed; see FMA 603-1).

The following individuals are **not required** to be included in the Medically Needy MA-FM filing unit, but may be included if they also need medical coverage, or if their inclusion benefits the applicant (i.e., increased household size/income limit):

- 1. Minor siblings (whole, half, step) of the child for whom application is being made;
- 2. Minor stepchildren.

The following individuals **must be excluded**, if in the home:

1. SSI cash recipients (minor child - part code 'SC');
2. Siblings age 19 or older; and
3. Individual who are not specified relatives.

► **NOTE:** If the child's parent is in the home, a specified relative cannot be included in the filing unit. Adults cannot receive Medicaid coverage under Medically Needy Family Medicaid.

FELONS/FRAUD: Filing unit members **can include**, and Medicaid **may be provided** to the following individuals, if otherwise eligible:

1. Fugitive felons, parole and probation violators;
2. Individuals convicted after August 22, 1996, (under federal or state law) of a felony which has an element of possession, use, or distribution of a controlled substance (illegal drugs or certain drugs for which a doctor's prescription is required); and
3. Individuals found to have fraudulently misrepresented residence in order to obtain assistance in two or more states.

**SAMPLE
FILING UNITS**

- 1. A 7-year-old child's non-medically needy MA-FM household consists of his mother, 5-year-old brother, 17-year-old sister, and aunt. The filing unit includes the 7-year-old child (part code 'IN'), his mother (code 'IN'), his brother and his sister (both coded 'IN'). The aunt is not included (code 'OU') as a specified relative because the children's mother is in the home.

NOTE: If the case is determined to be medically needy, the required filing unit members change to only the child needing coverage (code 'IN') and his mother (code 'SR'). **This may result in the case no longer being medically needy, but it must still be treated as medically needy (i.e., the mother cannot be included in coverage). It would be best to check other coverage for the children (e.g., poverty-related, etc.)** System case notes should be entered in this situation.

2. A medically needy Family Medicaid household consists of a 15-year-old child, his grandparents, and his 17-year-old sister. The 15-yr-old needs medical coverage. The filing unit includes only the 15-yr-old child; his sister can also be included if she also needs coverage. The grandparents are not required filing unit members (code 'OU'). As the case is medically needy, it may be beneficial to check eligibility for other coverage groups (i.e., poverty-related children's coverage, etc.) before opening a medically needy case.

NOTE: If a dependent child in a non-medically needy Family Medicaid household is living with a specified caretaker relative other than his parent(s), that relative may be included if requested. If the above example were non-medically needy, either the grandmother or the grandfather may be included (coded 'IN') but not both. It will be up to the grandparents to decide who is included. Spouse's income may be deemed.

3. A dependent child's medically needy household consists of his mother, his stepfather and his stepbrother. The filing unit includes the child and his mother. The stepbrother can be excluded, and the stepfather's income must be deemed (see FMA 603-1). The child is coded 'IN', his mother 'SR', his stepbrother 'OU' and his stepfather 'DP'.

NOTE: If the stepbrother also needed medical coverage, the filing unit would include all household members. Both the mother and stepfather would be coded 'SR', and

their total countable income and resources would be counted to determine eligibility.

**EXTENDED/
TRANSITIONAL
COVERAGE**

MA-FM cases that received non-medically needy MA-FM for 3 of the previous 6 months are eligible for extended/transitional Medicaid coverage for up to either 4 or 12 months if the case becomes medically needy due to a qualifying event (see FMA 201-10 or 201-13).

EXAMPLE: Mom and three children apply and are eligible for MA-FM. After 5 months, Mom begins receiving increased child support that causes the case to become medically needy. Instead of removing mom's needs and requiring an incurment for the children's coverage to continue, the MA-FM case is closed and MA-EC is opened. This is because an increase in child support is a qualifying event for Extended Child/Spousal Support Medicaid. Mom and the children are all eligible for MA-EC coverage.

If the family had only received 2 months of MA-FM prior to the case becoming medically needy, MA-EC could not be opened. MA-PC or MA-PS would be looked at for the children.

**MEDICALLY NEEDY
INCOME LEVEL**

Use the Medically Needy Income Level (MNIL - FMA 003) and income disregards (FMA 602-1). The system will determine medically needy eligibility and incurment amount based on SEPA participation codes.

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